

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 02745 270511Z

11

ACTION EB-11

INFO OCT-01 NEA-10 ISO-00 SPC-03 SAM-01 AID-20 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 DRC-01 /129 W

----- 048892

R 261125Z FEB 74

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 9911

INFO AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

LIMITED OFFICIAL USE NEW DELHI 2745

E.O. 11652: N/A

TAGS: EMIN, IN

SUBJ: GOI INCREASES MICA FLOOR PRICES

REF: NEW DELHI 2317

1. ON FEBRUARY 22, THE GOI'S MINERALS AND METALS TRADING CORPORATION (MMTC) ANNOUNCED SIGNIFICANT WORLDWIDE FAS INCREASES IN THE FLOOR PRICES OF PROCESSED AND FABRICATED MICA AND MICA POWDER AND FLAKES FOR EXPORT. EFFECTIVE IMMEDIATELY, PRICE RISES RANGE BETWEEN 15 AND 100 PERCENT ABOVE PRE-FEBRUARY 22 LEVELS.

2. THE DEPARTMENT MAY WISH TO INFORM THE MIC INDUSTRY ASSOCIATION, 34 ARBOR STREET, HARTFORD, CONNECTICUT (ATTN: JAMES MARSHALL, PRESIDENT), THAT THE GOI HAS TAKEN THIS ACTION FOLLOWING A "RECENT REVIEW OF CURRENT PRICES AND WORLDWIDE INFLATION". ADDITIONALLY, DEPT MAY ALSO WISH TO NOTIFY THE ASSOCIATION THAT MMTC OFFICIALS CONTINUE TO CLAIM THAT THE FUTURE ROLE OF ITS MICA TRADING CORPORATION LTD. (MTCL) REMAINS "UNDER LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 02745 270511Z

CONSIDERATION". (REFTEL. NEW FLOOR PRICES APPLY TO ALL

EXPORTS WHETHER MADE BY MMTC OR PRIVATE EXPORTERS.

3. PRICE RISES BY COMMODITY ARE GIVEN BELOW IN PERCENT OF INCREASE:

COMMODITY	PRICE INCREASE	
BLOCK MICA		
GRADES 2 AND UP, AND ALL SPECIFIED STC PATTERNS	50	
GRADES 3-5-1/2, ALL QUALITIES	35	
GRADES 6 AND 7, HEAVY STAINED	30	
GRADES 6 AND 7, RANDOM EXCEPT HEAVY STAINED	20	
STC PATTERN, STAINED AND INFERIOR	35	

BOOK FORM SPLITTINGS		
1ST AND 2ND SPOTTED, OF GRADE 3 AND BELOW	20	
RED COPPER	20	
CLEAR, ALL GRADES	35	

LOOSE SPLITTINGS		
GRADES 5 AND UP, CLEAR, ALL QUALITIES	35	
GRADES 4 AND 5, MOVED, TORN LOOSE	35	
GRADES 6, 1ST, 2ND AND 3RD SPOTTED, ORDINARY	20	
GRADES 3, 4 AND 5, SPOTTED	20	
RED COPPER, 1ST AND 2ND	20	
RED COPPER, SPOTTED LOOSE	20	
RED COPPER, 4TH AND 5TH	20	
MIXED, TORN, GRADES 5 AND 5 1/2	20	
CLEAR, GRADES 5 1/2 AND BELOW	25	
CLEAR AND SPOTTED, NO 6 CHEAP	15	
SCRAP/WASTE	50	
FACTORY CUTTINGS	100	

FABRICATED AND POWDER		
POWDER W/FLAKES OF 2-10 MESH	100	
STOVE PLATES W/DISCS LESS THAN 7 MM	1/	
STOVE PLATES W/DISCS OF 7 MM AND ABOVE	1/	
PUNCHED WASHER	1/	
CONDENSER CUT PLATE	1/	
OTHER FABRICATED MICA	1/	

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 NEW DE 02745 270511Z

1/ THE FAS PRICE WILL BE FOUR TIMES THE PRICE OF BLOCK FILM OF THE RESPECTIVE GRADE AND QUALITY. THERE WILL BE NO PREMIUM FOR THICKNESS IF THICKNESS IS NOT OTHERWISE SPECIFIED.

4. FYI: C.R. DAS, DIRECTOR, MMTC, RECENTLY TOLD MINATT THAT THE CURRENT "ENERGY CRISIS AND WORLDWIDE INFLATION" JUSTIFIED MICA "PRICE RISES" (THEN PENDING - REFTEL). DOMESTIC INFLATION

WAS NOT USED AS AN ISSUE IN THIS INSTANCE. MINATT REMINDED DAS OF THE GOU'S LONG-STANDING CONCERN OVER MICA DEMAND DECLINES IN THE ELECTRONICS INDUSTRIES, INCREASES IN THE USES OF MICA SUBSTITUTES, POSSIBLE INCREASES IN U.S. IMPORTS FROM OTHER SOURCES OF SUPPLY, AND (MORE RECENTLY) THE EFFECT USG MICA STOCKPILE DISPOSALS WOULD HAVE ON INDIA'S MICA EXPORTS TO THE U.S. AND ELSEWHERE. HE EVADED DIRECT COMMENTS ON THESE POINTS, NOTING ONLY THAT THE GOI WAS "CONVINCED" THE DEVELOPED COUNTRIES "WOULD PAY MORE" FOR INDIAN MICA. HE SAID THE STEEL AND MINES AND COMMERCE MINISTRIES APPROVED MMTC'S RECOMMENDATIONS TO RAISE PRICES PRIOR TO CONSULTATIONS WITH FOREIGN BUYERS "AS THE MORE EXPEDIENT MEANS OF HANDLING THIS MATTER". HE QUICKLY POINTED OUT, HOWEVER, THAT THE UPCOMING VISIT OF THE MMTC MICA DELEGATION TO THE U.S. (REFTEL) "WILL SMOOTH OUT ALL PRESENT AND ANTICIPATED DIFFERENCES" BETWEEN INDIAN MICA EXPORTERS (LARGELY MMTC) AND U.S. BUYERS. HE DID NOT SAY HOW THIS WOULD BE ACCOMPLISHED. IT WILL THEREFORE BE INTERESTING TO LEARN OF THE MICA ASSOCIATION'S REACTION TO THE ABOVE-LISTED PRICE INCREASES, AND THE PROPOSED VISIT BY MMTC REPRESENTATIVES. MOST IMPORTANTLY, AN ASSESSMENT OF THE ASSOCIATION'S MICA IMPORT OUTLOOK WILL BE USEFUL IN LIGHT OF CURRENT DEVELOPMENTS. END FYI. MOYNIHAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, MICA, EXPORT CONTROLS, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 26 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974NEWDE02745
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974029/aaaaahwr.tel
Line Count: 138
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: NEW DELHI 2317
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 14 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14-Aug-2002 by worrelsw>; APPROVED <15-Aug-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOI INCREASES MICA FLOOR PRICES
TAGS: EMIN, IN
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005